

REMARKS/ARGUMENTS

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 1-24 are pending in this case.

The outstanding Office Action rejected Claims 1-24 under 35 U.S.C. § 103(a) as unpatentable over Stefik, et al. (U.S. Patent No. 6,957,193, herein “Stefik”) in view of Spagna, et al. (U.S. Pub. No. 2006/0089912, herein “Spagna”).

Applicants respectfully traverse the rejection of the pending claims.

The outstanding Office Action asserts Stefik as teaching every element of Claim 1 except the license storage device which it asserts Spagna as teaching.

When a combination of references is asserted as teaching every element of a claim, both the asserted modification, or how the references are combined, as well as the asserted motivation for the combination, or why one of ordinary skill in the art would combine the references, must be specified in the rejection. MPEP § 706.02(V) sets out the requirement for asserting the modification. As to the asserted motivation, the Court recently reiterated the requirement of MPEP § 2143.01 by stating that a “patent composed of several elements is not proved obvious merely by demonstrating that each element was, independently, known in the prior art.” KSR Int. Co. v. Teleflex Inc., 82 USPQ2d 1385, 1389 (2007). The Court stated the importance of identifying “a reason that would have prompted a person of ordinary skill in the art to combine the elements as the new invention does.” *Id.*

Further, under MPEP § 2143.01(V) the proposed modification cannot render the prior art unsatisfactory for its intended purpose, and, under MPEP § 2143.01(VI), the proposed modification cannot change the principle of operation of the prior art.

In this case, at page 3, the outstanding Office Action states:

Therefore, at the time the invention was made, it would have been obvious to a person of ordinary skill in the art to have modified of Stefik for a repository with security class and method for use thereof with the features of Spagna for a system and method of updating usage conditions in lieu of download digital rights management protected content in order provide these goals, a need exists for digital content providers to use an electronic distribution model to make digital content available to a wide range of users and businesses while ensuring protection and metering of digital assets.

Applicants respectfully submit that no specific modification nor motivation for a modification of Stefik with Spagna can be discerned from the above statement. Thus, if the rejection is maintained despite the following remarks, Applicants respectfully request that a specific modification and motivation be provided.

Stefik describes a secure repository of digital works. As depicted at Fig. 1 of Stefik, with the usage flow detailed at Fig. 18, a digital work is stored in the first repository with certain **usage rights attached to that digital work**. When another repository requests the digital work from the first repository, the **first repository examines the usage rights associated with the requested digital work to determine if the digital work can be transmitted to the requesting repository**. Because each digital work, rather than each user, has usage rights associated with it, Stefik does not and need not teach a license storage device as defined by Claim 1, as conceded by the outstanding Office Action at page 3.

Further, a proper modification of the system of Stefik that does not derogate MPEP § 2143.01 but yet associates usage rights with a user rather than with a digital work is not only inconceivable but also not presented by the outstanding Office Action.

Spagna describes a system for creating additional copies of content based on verification that a hash value of the encrypted content and a hash value associated with a description of the content to be copied are the same. At paragraph [0821], Spagna describes an installation package for downloading content that includes a Secret User Key generated in

the License Database 197 and distributed throughout an end user's computer. This Secret User Key ensures that content is not shared with a computer not having the Secret User Key. Thus, the Secret User Key is associated with rights to the downloaded content rather than with the usage rights information associated with a user. At paragraphs [0926]-[0930], Spagna describes that the use of content is logged in the License Database 197. However, logging of usage history also does not teach "usage rights information of contents associated with a user." Thus, like Stefik, Spagna also fails to teach or suggest a license storage device as defined by Claim 1.

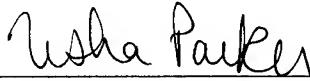
The outstanding Office Action fails to set out a *prima facie* case of obviousness in this case, because not only is a proper combination of Stefik and Spagna not established, but also even if, *arguendo*, a combination of Stefik and Spagna were proper, that combination would not teach or suggest at least a license storage device as defined by Claim 1 because neither reference teaches or suggests a license storage device as defined by Claim 1. Thus, Applicants respectfully request that the rejection under 35 U.S.C. § 103(a) of Claim 1 and Claims 2-11, which depend therefrom, be withdrawn.

Claims 12, 16, and 21, though differing in scope from Claim 1, patentably define over Stefik and Spagna for similar reasons as Claim 1. Thus, Applicants respectfully request that the rejection under 35 U.S.C. § 103(a) of Claim 12, Claims 13-15, which depend therefrom, Claim 16, Claims 17-20, which depend therefrom, Claim 21, and Claims 22-24, which depend therefrom, be withdrawn.

Accordingly, the outstanding rejections are traversed and the pending claims are believed to be in condition for formal allowance. An early and favorable action to that effect is, therefore, respectfully requested.

Respectfully submitted,

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